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MEMORANDUM FOR: Deputy Director for Plans

SUBJECT : FY 1972 Amendment No. 1 to Project [REDACTED]

1. This amendment to Project [REDACTED] provides for an additional sum of [REDACTED] for FY 1972, which will bring the total authorization for the year to [REDACTED]

2. Project [REDACTED] is a covert action project designed to provide financial support to the Democratic Radical Party (PDR) of Chile, a small democratic party which split away from the Radical Party (PR) prior to the 1970 presidential elections. In addition, the [REDACTED]

3. This amendment includes the following expenditures, all of which were authorized by the 40 Committee [REDACTED]: [REDACTED] in supplemental funds for election campaign expenses during the [REDACTED]; [REDACTED] approved in DIRECTOR [REDACTED]; [REDACTED] for additional funds for organizational and propaganda expenses, approved in DIRECTOR [REDACTED]; and [REDACTED] in supplemental funds for election campaign expenses during the January 1972 by-elections, approved in DIRECTOR [REDACTED]. Of the total [REDACTED] approved by the 40 Committee for the [REDACTED] Project, [REDACTED] was included in the FY 1972 Project Renewal, which was approved on 28 July 1971. The purpose of this amendment is to bring the [REDACTED] Project authorization to the level of 40 Committee approved expenditures.

4. The PDR received [REDACTED] for election expenses in its efforts [REDACTED]

[REDACTED] The PDR election activities were part of the over-all

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efforts of the opposition parties, which dramatically united for the first time against the Allende Government to win a narrow victory. The PDR campaign effort assured that many dissident Radicals did not vote for the Government candidate. The PDR also received [REDACTED] to cover its expenses for electoral activities in support of the opposition candidates in the O'Higgins, Colchagua and Linares Provinces' by-elections in January 1972. Uniting for the second time, the opposition party candidates were successful in winning by surprisingly large majorities. Reports from the Station indicated that a sizeable number of the Radical Party's traditional voters did not support the UP candidates. [REDACTED] has been authorized for financial support to the PDR for organizational and propaganda expenses, [REDACTED]

[REDACTED]

5. During the remainder of FY 1972, the Station will continue to support the PDR in its efforts to become an increasingly viable political party on the Chilean political scene, thereby weakening the PR and the amount of electoral support it is able to provide the UP. [REDACTED]

[REDACTED]

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6. It is requested that Amendment No. 1 to Project [REDACTED] for an additional sum of [REDACTED] for FY 1972 be approved, bringing the total authorization for the year to \$122,500.

[REDACTED]
Acting Chief
Western Hemisphere Division

Attachment

cc: ADDP

APPROVED:

Deputy Director for Plans

Date

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